

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1407-01
Bill No.: SB 349
Subject: Health Care; Health Care Professionals; Insurance - Medical; Medical Procedures and Personnel
Type: Original
Date: February 16, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Conservation** and the **Department of Insurance** assume this proposal would not fiscally impact their agencies.

Department of Transportation (DHT) officials state that the Highway and Patrol Medical Plan currently provides coverage for prosthetic devices and reconstructive surgery after a mastectomy and there is no time limit provisions, this area of the proposal would have no fiscal impact on DHT or the Medical Plan. DHT states this proposal would also require that coverage would transfer with the person if the person changes insurers. DHT assumes this also would have no impact of DHT or the Medical plan as long as the co-payments, deductibles, etc. do not have to be the same as the coverage before a transfer. Because the language in the proposal does not specifically make such a requirement, DHT assumes there would be no fiscal impact.

Officials from the **Missouri Consolidated Health Care Plan (HCP)** state the proposal clarifies continuing coverage for prosthetic devices or reconstructive surgery due to breast cancer. HCP states its contracts are required by 376.1209 RSMo to provide coverage for reconstructive surgery and prosthetic devices necessary to restore symmetry as recommended by the oncologist or primary care physician after a mastectomy. If a HCP member changed plans from an HMO to a POS, the member would not be subject to pre-existing conditions or a waiting period. The PPO and Copay plans require a six-month waiting period if the individual does not have credible service. (Credible service is the length of time a member was previously covered under another health policy.) This proposal would waive the waiting period for prosthetic devices and reconstructive surgery that result from a mastectomy. Since the PPO and Copay plans are required to provide this benefit anyway, they would not incur any additional expenses. They may pay the claims sooner than expected. HCP states this proposal does not fiscally impact HCP.

Department of Social Services - Division of Medical Services (DMS) officials state they do not have a time limit established for reconstructive surgery or prosthetic devices for women with breast cancer. DMS assumes there would be no fiscal impact.

Officials from the **Department of Public Safety - Missouri State Highway Patrol** did not respond to our fiscal impact request.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

\$0

\$0

\$0

FISCAL IMPACT - Small Business

Small businesses could be expected to be fiscally impacted to the extent that they incur increased health insurance premiums as a result of the requirements of this proposal.

DESCRIPTION

This proposal would require coverage for prosthetic devices or reconstructive surgery to transfer from insurer to insurer. Currently, Section 376.1209, RSMo, requires insurance companies to cover mastectomies and prosthetic devices or reconstructive surgery after a mastectomy. New language would add that no time limit would be imposed on an individual for the receipt of a prosthetic or reconstructive surgery and would provide that if an individual changes his or her insurance, then coverage for such procedures would transfer to the new policy.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Conservation
Department of Insurance
Department of Transportation
Missouri Consolidated Health Care Plan
Department of Social Services
Division of Medical Services

NOT RESPONDING: Department of Public Safety - Missouri State Highway Patrol



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Director

February 16, 2001